

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF VIRGINIA
CHARLOTTESVILLE DIVISION

MICHAEL DONALDSON,

Plaintiff,

V.

TRAE FUELS, LLC., et al.

Defendants.

Case No.: 3:18CV00097

DEFENDANTS' MOTION FOR SUMMARY JUDGMENT

EXHIBIT 4

To: Beth Aleman[baleman@envirotechservices.com]
Cc: Kevin Whyrick[kwhyrick@envirotechservices.com]
From: Chris LaRocco
Sent: 2014-06-26T14:22:51-04:00
Importance: Normal
Subject: Re: Mr. Michael Donaldson - Trae Fuels Controller
Received: 2014-06-26T14:22:51-04:00
[Michael Donald Observations-Write Up 6-26-14.docx](#)

Beth:

Please review the attached review of Mr. Donaldson's performance. If you have any questions please call or email me with them.

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Respectfully;

Chris LaRocco
Corporate Strategist

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Today's Date: 6-26-14

Re: Performance Observations of Michael Donaldson – Trae Fuels Controller

Period: 6-04-14 to 6-20-14

6-9-14: Emailed Mr. Donaldson and requested he perform a cash-flow analysis for Trae-Fuels to estimate and structure a potential "capital call" to the ownership of Trae-Fuels LLC. Provided Mr. Donaldson with a standard for use in the analysis. Mr. Donaldson's work product amounted to him taking the closed April, 2014 P&L and multiplying it by 4. The work product was substandard and presentable to the ownership.

6-17-14: Asked Mr. Donaldson for current total obligations of Trae-Fuels for cash-flow and current cash analysis. Mr. Donaldson handed me the closed May, 2014 P&L and May, 2014 Balance Sheet. Mr. Donaldson neglected to divulge the values of open Purchase Orders and unpaid Credit Card statements which were needed to have the total obligations value (again for current cash and cash-flow analysis).

6-18-14: Was informed by Kevin Whyrick (ESI-CFO) that he and Gohar Wise (ESI - Assistant Controller) had reviewed and walked through with Mr. Donaldson the IFS accounting systems procedure to input Purchase Orders and Requisites while on their site visit to Trae-Fuels on the 14th and 15th of May, 2014. When asked if that procedure of implementation was executed Mr. Donaldson stated that he had not gotten around to it.

General observations: Mr. Donaldson is very good at accounting. Mr. Donaldson is very detailed in his communications, and is very detailed as an auditor. Mr. Donaldson has failed however in his responsibilities to keep Trae-Fuels cash position in line with production outputs.

Example: On 6-4-14 Mr. Donaldson drew on Trae-Fuels line of credit to pay for SG&A, and general operating costs. Hence the draw against the line and used towards paying for operating costs and current obligations in this scenario meant that Trae-Fuels had gone cash negative/broke.

Respectfully;

Chris LaRocco

Corporate Strategist

EnviroTech Services Inc.